

BRADSHAW PUMICE & PERLITE/MOUNTAIN VIEW MINING  
TLA FILE S/001/017

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- 08/16/82 Ralph Miles, Director, Division of State Lands and Forestry ("State Lands"), approves Bradshaw Pumice and Perlite's ("Bradshaw") application for MLs 40197 and 40198 (application submitted 07/28/82).
- 09/29/82 Ralph Miles sends Bradshaw a duplicate of MLs 40197 and 40198 for Bradshaw to sign and return. The Director also informs Bradshaw of other parties holding interests in the surface of the same land.
- 10/29/82 John Blake, Mineral Resources Specialist, State Lands, informs companies holding other leases to the same land embraced by MLs 40197 and 40198 of Bradshaw's leases. (Anschutz Corporation [OG&H], North Divide Grazing Co. [Grazing])
- 10/29/82 State Lands receives Bradshaw's signed and stamped copies of ML 40197 and ML 40198.
- 11/23/82 John Blake forwards MLs 40197 and 40198 to Bradshaw for his files.
- 01/04/84 John Blake informs Bradshaw that it has breached MLs 40197 and 40198 by commencing mining operations prior to notifying State Lands 60 days before commencement and submitting a formal plan of operations for review and approval.
- 02/09/84 State Lands receives Bradshaw's "Answers to Mineral Lease Notification Requirements."
- 02/23/84 John Blake notifies Bradshaw that its "Answers to Mineral Lease Notification Requirements" does not meet with specific State Lands requirements.
- 03/07/84 Bradshaw submits an application for what will become ML 40353 in Section 36, T27S, R9W.
- 04/02/84 The Director, State Lands, approves Bradshaw's bid for ML 40353.
- 04/13/84 John Blake arranges to meet Bradshaw in Milford on April 17, 1984.
- 05/07/84 State Lands applies to A-95 Coordinator, State Clearinghouse for mining action on T27S, R9W, Section 36 and T28S, R9W, Section 2.

- 05/11/84 State Lands receives a copy of OGM's letter to Bradshaw acknowledging receipt of Bradshaw's letter regarding development on T27S, R9W, Section 36 and T28S, R9W, Section 2. In its letter, OGM also requests notice of Bradshaw's operations on BLM land.
- 05/24/84 John Blake receives letter from Brent C. Bradford, Executive Secretary, Utah Air Conservation Committee, Division of Environmental Health, Department of Health, State of Utah, informing Mr. Blake of the Committee's intent to review the pumice and perlite open pit mining project. (Letter dated 05/18/94.)
- 05/25/84 John Blake forwards a copy of the State Health Department's letter and instructs Bradshaw to file the necessary notices with the State Health Department for ML 40197.
- 06/25/84 Karl Kappe, State Lands, receives a letter from Michael B. Zuhl, Director, Office of Planning and Budget, State of Utah, stating that The Resource Development Coordinating Committee of the State of Utah has reviewed ML 40197 and indicated no comments.
- 06/29/84 State Lands receives Bradshaw's signed and stamped copy of ML 41353.
- 06/01/84 Ralph Miles, Director, State Lands, sends Bradshaw a duplicate of ML 41353 for Bradshaw to sign and return. The Director also informs Bradshaw of other parties holding interests in the surface of the same land.
- 06/25/84 John Blake notifies Phillips Petroleum Oil ("Phillips") that the Director granted Bradshaw's ML 40353 on land embraced in Phillips' Geothermal Steam lease 31774.
- 06/25/84 John Blake notifies North Divide Grazing Co. ("North Divide") that the Director granted Bradshaw's ML 41353 on land embraced in North Divide's Grazing lease 22027.
- 07/05/84 John Blake advises Bradshaw that State Lands has received no further adverse comments regarding Bradshaw's operation on MLs 40197 and 40198. Providing that Bradshaw posts a \$10,000 bond with State Lands and obtains an air quality permit from the State Health Office, Mr. Blake authorizes Bradshaw to proceed with proposed mining operations.
- 07/05/84 John Blake sends Bradshaw a copy of ML 41353.
- 07/16/84 State Lands receives a copy of the Areawide Clearinghouse A-95 Review of ML 40197.

05/02/85 Jerry Mansfield, Mineral Resource Specialist, State Lands, files a general inspection of MLs including 40197, 40198 and 41353.

08/27/86 Mr. Bradshaw sends rental payments for MLs 40197 and 40198 and requests copies of all of his State Land leases. (State Lands receives correspondence on 09/02/86.)

09/02/86 Mike Seely, Trust Accountant, State Lands, advises Bradshaw of his existing State Land leases (MLs 33467, 34919, 40197, 40198, 41353) and due dates for lease rental payments. Mr. Seely also forwards copies of requested leases.

02/26/90 John Blake advises Bradshaw that the Director granted a Geothermal Resource lease to California Energy Co., Inc. which is embraced in Bradshaw's ML 41353.

08/12/92 Jerry Mansfield informs Bradshaw that MLs 40197 and 40198 will expire on August 31, 1992.

09/15/92 Mountain View Mining ("Mountain View") files a SMO NOI with DOGM. The project location involves Sections 2 and 36, Bradshaw ML 40197, ML 40198, ML 41353.

09/16/92 A Division of State Lands and Forestry Cultural Resources Program "Assessment Consultation" Request Form is filed for a SMO on ML 40197, ML 40198, and ML 41353 in Section 2.

09/25/92 Kevin Carter, State Lands, determines for Jerry Mansfield that a cultural resource survey will not be required.

09/28/92 The Director approves Mountain View subleases of MLs 40197, 40198 and 41353.

09/28/92 State Lands files a copy of the Bradshaw-Mountain View sublease.

09/29/92 State Lands files sublease approval and notes that \$25.00 fee was paid.

09/29/92 Jerry W. Mansfield notifies Mountain View that they may commence operations on MLs 40197, 40198 and 41353 within outlined guidelines.

10/21/92 Becky Pritchett, Research Analyst, State Lands, notifies Mountain View that the Director has approved their sublease of ML 41353. (cc: J. Bryan Jackson, attorney for Bradshaw; Ronald Olsen, Chem-Stone, Inc.)

10/26/92 The Director accepts Mountain View's \$3,000 Time Certificate of Deposit to cover MLs 40197, 40198 and 41353.

11/20/92 Becky Pritchett notifies Mountain View that the Director has approved their sublease of MLs 40197 and 40198. (cc: J. Bryan Jackson, attorney for Bradshaw)

11/23/92 DOGM advises Mountain View of DOGM rules, emphasizing "Operation and Reclamation Practices." DOGM also advises Mountain View to notify the Department of Environmental Quality ("DEQ") of SMO.

12/08/92 Jerry W. Mansfield notifies Mountain View that the Director of the Division of State Lands and Forestry accepted Mountain View's \$3,000 Time Certificate of Deposit to cover MLs 40197, 40198, 41353.

08/31/93 Because of confusion as to lease extension requirements, the Director approves a waiver of late fees for MLs 40197 and 40198 late rental payments.

12/29/93 Jerry W. Mansfield notifies Bradshaw that, pursuant to Rule R640-20-4000, the division intends to exercise its right to readjust the terms of ML 41353 if the lease is extended.

01/21/94 John Blake advises Bradshaw that if MLs 40197 and 40198 are extended beyond their term, the state intends to readjust lease terms and conditions pursuant to R640-20-4000.

03/30/94 State Lands receives a copy of the sublease between Bradshaw and Pure White Pumice, Inc. ("Pure White") filed for the record on February 17, 1994 by the Beaver County Recorder.

04/05/94 John Blake notifies Bradshaw, c/o J. Bryan Jackson, that until the division has proof of termination of the Mountain View sublease, the division cannot approve Bradshaw's sublease to Pure White. Mr. Blake also advises Bradshaw of sublease rules pursuant to Rule R640-20-2200.

04/12/94 John Blake advises Mountain View, sublessee to ML 41353, of the readjusted terms and conditions of the lease.

04/12/94 John Blake informs Bradshaw, c/o J. Bryan Jackson, of readjustment and a one year lease extension of ML 41353.

04/25/94 John Blake advises Bradshaw that the disclaimer that he stamped on the lease agreement renders the document unacceptable. Mr. Blake returns Bradshaw's lease payment and advises Bradshaw that he must execute a new lease to prevent ML 41353 from expiring.

05/03/94 The Director approves readjustment of ML 41353.

06/17/94 John Blake forwards ML 41353 readjustment to Bradshaw and Mountain View.

08/03/94 The Director approves the payment of the required minimum royalty payment for MLs 40197 and 40198. This order sets out a specific payment schedule.

09/06/94 Neil Bradshaw, General Partner of Bradshaw Pumice and Perlite ("Bradshaw"), sends John Blake a notice of termination of the sublease with Mountain View. Bradshaw also reports that Bradshaw commenced commercial production on ML 40197 and ML 40198.

09/07/94 The Director approves Bradshaw's January 1, 1994 sublease to Pure White effective August 31, 1994 and conditional upon termination of Mountain View's sublease.

09/09/94 Scott Hirschi, TLA, faxes to Mountain View an acknowledgment of termination of their sublease with Bradshaw. According to the fax, the Director approved Bradshaw's January 1, 1994 sublease to Pure White effective August 31, 1994 and conditioned upon termination of Mountain View's sublease.

09/14/95 The TLA file includes a letter from Governor Leavitt. In his letter, the Governor responds to the Bradshaws' letter regarding problems with state mineral leases and advises that TLA can extend the leases provided that Bradshaw immediately commences mining operations under an approved plan of operations. The letter further stipulates that TLA may approve Bradshaw's sublease with Pure White when Bradshaw terminates the Mountain View sublease.

09/16/94 John Blake sends a certified letter to Bradshaw, c/o Brian Jackson, noting that on August 31, 1994, Neil Bradshaw filed a notice of termination of the September 10, 1992 sublease of MLs 40197, 40198, and 41353 to Mountain View. Bradshaw also filed a NOI to immediately commence mining of these properties. Mr. Blake stated that those actions were sufficient to extend ML 40197 and ML 40198 to August 31, 1995.

Mr. Blake also requests information from Bradshaw to determine if royalties are due to the state for mining that may have occurred under the Mountain View sublease.

Finally, Mr. Blake advises Bradshaw of the state's right of lease readjustment and outlines annual lease payments.

- 09/16/94 John Blake sends a letter to Bradshaw, c/o Brian Jackson, noting termination of the Mountain View sublease, Bradshaw's NOI to commence operations and the Director's conditioned approval of the Pure White sublease. Consequently, Mr. Blake requests that Bradshaw immediately file a written transfer of the notice of intent to commence mining or that Pure White Pumice file a new notice of intent to commence mining. Further, Mr. Blake advises that Bradshaw must submit a bond, that the state requires diligent operations to occur in order to preserve the leases, and that Bradshaw must meet DOGM requirements.
- 09/31/94 State Lands receives a copy of Bradshaw's Notice of Termination of Sublease sent to Mountain View on August 30, 1994. The letter explains that Bradshaw is terminating the sublease because "Mountain View has failed to pay royalties pursuant to the terms of sublease and/or failed to produce in the minimum quantities set forth in said sublease." Further, the letter gives notice of Bradshaw's complaint filed in the Fifth Judicial Court of Beaver County.
- 09/31/94 State Lands receives Bradshaw's SMO NOI for ML 40197, ML 40198, and ML 41353 on Sections 2, 26, and 36. The TLA file includes a topographic base map.
- 10/26/94 John Blake sends a letter to Neil Bradshaw requesting that Bradshaw submit a \$25,000 surety bond or short term C.D. issued by a Utah bank in that amount and listing TLA as co-owner of the certificate.

Mr. Blake also advises that Bradshaw must mine not just on ML 40197, as Bradshaw's plan of operation indicates, but on all three leases (MLs 40197, 40198, 41353) in order for the state to extend the leases.

Finally, Mr. Blake requests that Bradshaw submit a more detailed plan of operation in order to meet the operations notification requirement of the leases. Bradshaw's failure to meet the above requests within 30 days, Mr. Blake states, may force the state to cancel the leases.

- 10/27/94 John Blake sends a letter to Mountain View, notifying them that upon reclamation of all Mountain View mining disturbances or upon Bradshaw submitting a replacement bond, the state will release Mountain View's C.D..
- 11/07/94 John Blake receives Mountain View's letter alleging that:
1. Mountain View did not receive Bradshaw's Notice of Termination via certified mail or otherwise.
  2. Mountain View sent timely royalty checks to Bradshaw's attorney; the checks were never negotiated.
  3. Mountain View received, acknowledged and responded appropriately and in a timely fashion to Bradshaw's complaint .
  4. Mountain View's desire to set aside the termination of the sublease.
- 11/09/94 In a letter to Mountain View, William Stokes, Mineral Resources Specialist, TLA, acknowledges Mountain View's letter contesting notice of termination of their sublease with Bradshaw. Mr. Stokes encloses Director's minutes which condition Pure White's sublease upon termination of Mountain View's sublease. Also enclosed is an outline of TLA requirements that Bradshaw must meet under his lease. (NOTE: A letter dated 11/18/94 corrects a typographic error in the original letter.)
- 12/01/94 William Stokes sends a letter to Bradshaw, c/o Bryan Jackson, advising that Bradshaw failed to provide the requested bond and obtain an approved plan of operations for ML 41353. Mr. Stokes notifies Bradshaw that the state will terminate ML 41353 if Bradshaw fails to remedy these concerns within 30 days.
- 12/20/94 Division of State Lands files Bradshaw's Amended Plan of Operation, NOI along with a U.S.G.S. topographic sheet indicating mining activity on ML 40197 only.
- 12/21/94 William Stokes sends letter to Bradshaw advising him to sign his C.D. and post it by December 28, 1994 to avoid termination of his leases.
- 01/10/95 William Stokes sends Bradshaw another letter requesting a map of Bradshaw's operation, certified by a surveyor or engineer. The map must meet requirements of Article XII before TLA can approve Bradshaw's Plan of Operation.
- 01/11/95 Via certified mail, Lisa Schneider, TLA Royalty Auditor, notifies Bradshaw of an audit of MLs 40197,

40198, 41353. She requests all relevant production records and sales contracts.

- 01/11/95 The Director accepts Bradshaw's Time Certificate of Deposit to cover MLs 41353, 40197 and 40198.
- 01/18/95 William Stokes sends a certified letter to Bradshaw requesting a map as required by Article XII. The leases will terminate if Bradshaw does not provide a remedy within 30 days.
- 01/31/95 TLA receives a letter from Drucilla Bradshaw requesting an extended deadline for the survey map. Because of snow, Bradshaw cannot find the survey markers.
- 02/06/95 In a letter to Bradshaw, John Blake confirms that the Director accepted Bradshaw's Time Certificate of Deposit to cover MLs 41353, 40197 and 40198.
- 02/08/95 John Blake grants Bradshaw a sixty day extension to submit survey maps. TLA requests that Bradshaw submit a map by April 18, 1995 in order to avoid forfeiture of the leases.
- 02/10/95 State Lands files two survey maps of the Bradshaw mining area delineating a one acre site for mining on lands within ML 40197 only.
- 04/12/95 John Blake notifies Bradshaw that ML 41353 will expire on April 30, 1995.
- 04/14/95 John Blake sends a letter to Bradshaw reiterating the request for acceptable maps of MLs 40197 and 40198. Mr. Blake also informs Bradshaw that Mountain View denies receiving Bradshaw's letter terminating the Mountain View/Bradshaw sublease; Mr Blake requests a copy of Bradshaw's return receipt for his certified letter to Mountain View.
- 04/14/95 John Blake sends a letter to Bradshaw requesting an acceptable map of ML 41353, a report of Bradshaw's diligent operations to bring the area into production and payment of royalty fees.
- 04/21/95 TLA receives a letter from Drucilla Bradshaw contesting the expiration of ML 41353.
- 04/24/95 John Blake responds to Drucilla Bradshaw's letter with a detailed description of the status of each lease and TLA's requirements.
- 04/26/95 John Blake sends a letter to Drucilla Bradshaw thanking



her for meeting to clarify her leases and acknowledging an extension of ML 41353. TLA extends ML 41353 beyond April 30, 1995, providing that Bradshaw diligently pursues operations and submits requested mine maps.

05/03/95 TLA Director noted the extension of ML 41353.

05/24/95 TLA files surveyed maps for MLs 41353, 40197, and 40198.

05/25/95 In a memo to John Blake and Lisa Schneider, Ron Carlson, TLA, estimates the volume of pumice stockpiles on ML 40197 and on Section 35, NE of ML 40197.

05/31/95 John Blake sends a letter to Drucilla Bradshaw requesting clarifications on maps that Bradshaw submitted for MLs 41353, 40197 and 40198. Mr. Blake also advises Bradshaw that DOGM permitting requirements must be completed prior to mining.